ECONOMIC UPDATE

JUNE 2016

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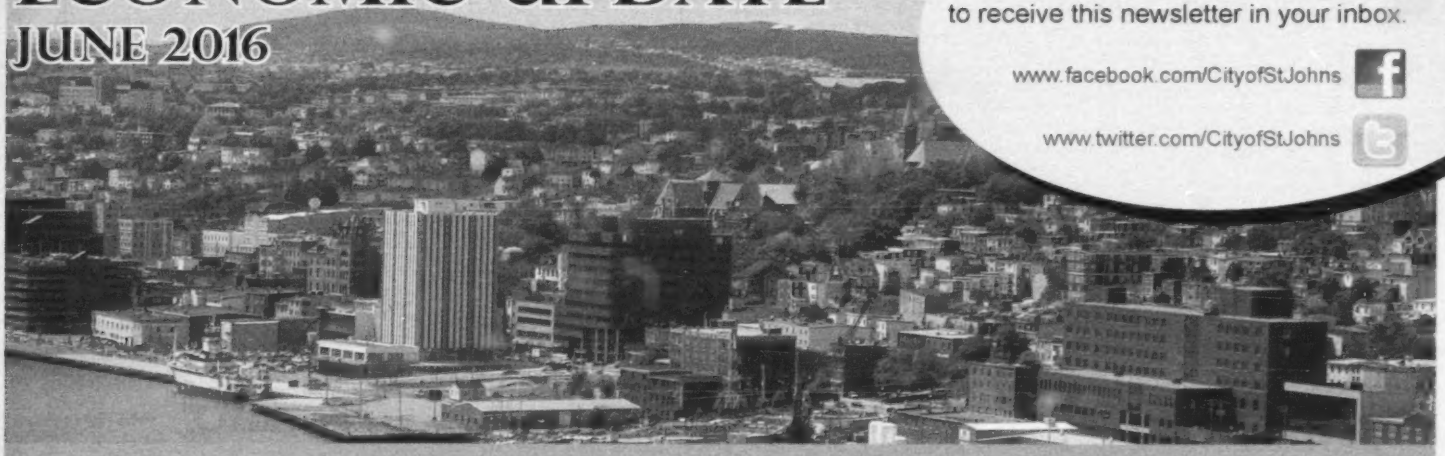

ECONOMIC INDICATORS

The New Housing Price Index for St. John's Metro was 151.8 in March 2016 up 0.3%*

The Consumer Price Index for St. John's Metro was 130.6 in April 2016 up 2.0%*

Retail trade for Newfoundland and Labrador was $743.5 million in March 2016 up 3.4%*

* same month in the previous year.

LABOUR FORCE CHARACTERISTICS

St. John's Metro, (seasonally adjusted, three-month moving average)

	April 16	Chg.*
Labour Force	124,800	-0.2%
Unemployment Rate	7.5%	0.9 pt
Employment Rate	64.0%	-1.7 pt
Participation Rate	69.1%	-1.1 pt

* same month in the previous year.

BUSINESS BRIEFS

NL Technology Sector Valued at $1.6-Billion

According to the Newfoundland and Labrador Association of Technology Industries (nati) the technology sector generates $1.6 billion in annual revenue in the province and is bigger in terms of annual revenue than either the fishery or tourism industries. The technology sector employs 4,000 people and includes the information technology, ocean technology, the green economy and servicing of the oil and gas industry. Nati is working to double the size of the sector utilizing the $513,000 it received in funding recently from the Atlantic Canada Opportunities Agency (ACOA). The new funding will be provided in two separate injections, $332,000 will be provided to help with the development and launch of a Commercialization Officer Internship and Directed Research Program; $181,000, will go to the core operations of NATI, to help deliver "innovation programming" in 2016, bringing industry companies together and developing export market opportunities.

$6.5 Billion in Major Project Spending Planned for NL

Investment in major projects in Atlantic Canada is forecasted at $12.8 billion this year, about half of that will be spent in Newfoundland and Labrador (NL). The Atlantic Provinces Economic Council (APEC) released its Major Projects inventory on June 6. The inventory, which includes all projects valued at $25 million or more ($10 million or more in PEI), estimates $6.5 billion in major project investment in NL in 2016, down 14% from a year ago. Most of the decline this year is due to the winding down of the construction phase of the Hebron project and lower spending on other offshore projects. APEC is forecasting an overall decline in 2017, though there is potential for improvement if certain projects move ahead. Federal stimulus spending and Vale's nickel mine in Labrador will support investment in 2017, and increasing offshore exploration and mining activity could bring investment back into positive territory.

City of St. John's supports Youth Ventures

Thinking about creating your own summer job but don't know where to start? Youth Ventures is a free program for students aged 12-29 in Newfoundland and Labrador. Program coordinators can help students come up with ideas, create business plans, help with market research, so that students can get their businesses up and running for the summer. St. John's City Council has waived City permit fees for summer businesses started by students enrolled in the program. For further details about the program visit: www.youthventuresnl.com

ST. JOHN'S

Business Approvals

Fort Amherst Pub
320 Water St.

Quesada Burritos & Tacos
1 Kiwanis St.

Jack Axes Inc.
152 Water St.

Lululemon
Avalon Mall

Pipers
22 O'Leary Ave.

Pizza Take-out
4 Rickett's Rd.

Barber shop
194 Duckworth St.

Iceland Volcano Bakery
447 Newfoundland Dr.

New Home - Based Businesses

Family Home Child Care
63 Tree Top Dr.

Online Consulting
54 Petite Fort Dr.

Admin Office for Organic Farm
11 Dorset St.

Total Year to Date	62
Regular	34
Home-based	28

City Building Permits (Year-to-date as of June 6, 2016)

Type	2015	2016	% Variance
Commercial	$76,387,000	$58,594,000	-23
Industrial	$0	$0	0
Government/Institutional*	$8,006,000	$5,942,000	-26
Residential	$30,614,000	$21,593,000	-29
Repairs	$1,629,000	$1,592,000	-2
Total	$116,636,000	$87,721,000	-25

* Government/institutional data doesn't include the full range of permit activity undertaken by the provincial government and its agencies.

Upcoming Events

Royal Canadian Legion 46th Dominion Convention	June 11-15	www.legion.ca
Financial Management Institute on Canada conference	June 12-14	www.fmi.ca
16th annual Nickel Independent Film Festival	June 14-18	www.nickelfestival.com
2016 Oil and Gas, Fueling the Future and Re-Energizing Change	June 20-23	www.noia.ca
Atlantic Canada Petroleum Show 2016	June 22-23	https://atlanticcanadapetroleumshow.com
Canadian Institute of Actuaries annual meeting	June 28-29	www.cia-ica.ca
Canadian Society of Ecology and Evolution	July 7-11	http://csee-scee.ca
National Family Law Program	July 11-14	http://flsc.ca

CITY INITIATIVES

St. John's *State of the Economy* updated for 2016

Do you like to know what's happening in the local economy? Do you like to have up-to-date economic and demographic data? The City of St. John's tracks various types of economic and demographic information and develops reports for the benefit of the business community and other users. The State of the Economy publication describes the trends and current conditions in a wide range of economic indicators for the St. John's metro region. This is where you can find multi-year data on economic indicators and labour market. Topics also include housing, construction and development, commercial real estate, retail trade, income, and the most up-to-date data on demographics and population forecasts. For the most current version of State of the Economy visit the publications section of **www.stjohns.ca** under the heading City Hall > Publications > Economic Update Annual > State of the Economy.

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348 Water Street
City of St. John's, P.O. Box 908
St. John's, NL A1C 5M2
(709) 576-8107
business@stjohns.ca